Doing things differently!
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Arne Roock & Fridtjof Detzner
THIS GUY IS CRAZY!

Spring of 2012. Two figures wander along the cobblestone lanes of Altona Old Town in Hamburg. The first figure is Fridtjof, one of Jimdo’s three founders. The other is me. We’d just left a meetup at the Limited WIP Society (a group of people interested in Lean and Kanban). We were discussing theories of success and failure, processes and development, applying them to the world and to life and to Jimdo. Fridtjof suddenly says: „This year we will hire 50-60 new colleagues.“ My first thought: „He’s crazy! A growth of 100% in one year may not go well.“ My second thought: „never mind, he won’t find anyone anyway.” For all IT companies are desperately looking for new employees, but finding none. Back then, even I was hired as an external coach at Jimdo, but had not yet fully understood how it is not like any other company.

Fridtjof kept his word: Jimdo has hired 60 new, good colleagues in 2012, without suffering much visible damage. Of course, things can get tight here and there from time to time when a company grows. But the great disaster that I feared never happened. This short story is an indication that Jimdo does things differently than other companies. The fact that the founders have rejected an eight-figure offer by an investor in 2012, serves as even further evidence to this. Two reasons among many, my observations and experiences from the past two years inspired us to write this booklet.
Scaling presents a major challenge for companies in all industries, not just tech startups. Successful business models naturally result in growing demand, and unfortunately the competition never sleeps! With a product such as Jimdo, a growing user base results in increased product and customer support. New features need to be developed and new markets opened up in order to secure a slice of the market for years to come. At the same time as needing to innovate in order to compete, there are always technical debts accumulated during the startup phase that have to be gradually paid off. In order to achieve these goals, new employees need to be hired.

A critical consequence of this type of scaling within startups is the way that it affects the structures and processes that small companies have in place. It’s pretty easy to work quickly and efficiently when you’ve only got twenty employees. You’re generally sharing the same office, eating lunch together and have an idea what everyone’s working on. In this case, tasks are managed by the method “just do whatever works, and if you get stuck, ask the boss.” However, twenty employees can quickly become fifty and then this type of management is no longer possible. There are too many communication channels, and individual decisions start to affect whole teams. Decisions remain dependant on one or two people which can really slow progress, and multiple communication channels can make it difficult to all stay on the same page. The common respon-
Se to scaling is the introduction of rigid processes, strict budgets, and various levels of management. Solving one problem by creating another. Suddenly the culture that drove the product innovation and employee motivation disappears.

From early on, Jimdo set out to deal with scaling differently. The founders decided that there had to be a better way to cope with growth without simply adopting the structures of a large corporation. So many small companies seem so prepared to drop everything that they stand for and follow a formula that doesn’t suit them because they don’t have time to think of another way to handle growth. Jimdo, however, identified their company culture and process as the two most important ingredients in driving growth, and they weren’t prepared to compromise. Jimdo has always been proud of it’s culture. The founders knew that they didn’t want to sacrifice it for growth. They loved coming to work and knew how much that drove the motivation to make a great product. They didn’t want to lose that, and they wanted new employees to feel it too. The big question though, was how to protect that company culture whilst scaling rapidly.

Jimdo decided that rigid process standards are not the way they want to scale the company.
They decided that the first step was to work out exactly what ‘Jimdo Culture’ meant - to create a common understanding of Jimdo’s core values. They realized that this was more than an afternoon task, so ten team members spent a week together in Denmark to draw out exactly what these values were, and what role they played in creating the working atmosphere at Jimdo. A word of caution for those reading! Culture is a curious thing. I’ve witnessed several failed attempts by companies to define and control their culture. In my opinion it’s outright impossible to simply define the culture you desire and then build the company around it. In reality, culture works the other way around. It already exists in the way a company works and it is valuable to identify what works, what you and each employee value, and what needs to be worked on or changed. Once these values are identified, they

Culture consists largely of the stories that people tell each other - like at a campfire. One of these stories is that back in 2012 the three Jimdo founders rejected the 8-figure offer from an investor.
can be written down to reinforce that the company stands behind them, and actions should be taken to nurture, strengthen, and grow the culture – beginning with the actions of the founders, setting the example for everyone else. The cultural values that the small team from Jimdo identified during the sprint became the basis for what would become the Jimdo Culture Manual. The manual is based on broad values, such as acknowledging that everyone is human and therefore mistakes happen, the philosophy that everyone should be able to have fun at work and strive to be the best that they can, and that it’s okay to be a little bit crazy sometimes and that there should be no deadlines.

Another important step in fostering Jimdo culture was to hire a Feel Good Manager. At the beginning, it was unclear exactly what being a Feel Good Manager entailed. The benefits this position posed to every team member, however, were not in question. And looking back, it has proven every bit as successful as they hoped. The role of the Feel Good Manager, like everything else at Jimdo are in constant evolution.

Here’s a few things that the Feel Good Manager takes care of: Helping new employees to settle into their new position, and sometimes new city, or even country! Ensuring employees understand the way Jimdo works, and that they have everything to work effectively and to enjoy what they do. Organizing regular feedback sessions and training for employees. Helping everyone maintain a work-life balance and creating a fun work environment, such as organizing sports and social events.

And more generally, to be aware of the problems and needs of colleagues, and to try to solve them.
The main purpose of Kanban is to create a system that is optimally adapted to its context. It can’t be determined how this system will exactly look before it is implemented, and this can always change if we have an idea for a better way of working. In accordance with the different goals and processes within a team, it stands to reason that different teams will manage their work differently and evolve at different tempos. The Kanban system used by the online marketing team looks very different to that of a development team. Common to all of the teams, however, is a high degree of transparency and cooperation, a strong customer focus, and the concept of systematic improvement in small steps. Jimdo is indeed divided into different teams, but ultimately all teams work together on the same product, striving to make it the best it can be in all areas. Effective cross-team collaboration, and en-
suring that all teams are ‘pulling at the same thread’ is a difficult task, especially as the teams become more specialized and diverse. Jimdo uses the principles and practices of Kanban not only to improve the work of single teams, but also to help the whole company work as a single team. Through collaborative learning, also including failed attempts, three different formats have emerged to assist in achieving company wide collaboration; a weekly whole team roundup affectionately known as the ‘Teamverløtung’, the concept of a Goal #1, and Open Priority Meetings. These formats are constantly evolving, so the following descriptions provide more of a snapshot of how the procedures currently exist.

TEAMVERLØTUNG
It’s Monday afternoon, shortly before 15:00. More and more developers unglue their eyes from the lines of green code and head to the coffee machine, which is in full swing. Jimdo’s Teamverløtung is about to start. Employees (and several dogs) flow in from the other floors, the founders prepare the projector and everyone mingles and chats. Everyone in the Hamburg office – around 130 employees at any time – gather for the weekly roundup. At the beginning, the founders present the current numbers (e.g. new signups and sales) and announce new hires. The new colleagues introduce themselves and everyone gets a round of applause. Then important news will be announced (e.g. „Steven will work from Johannesburg for the
next three months”). After this, four teams will present news from their area, where they are making progress and what problems they are facing and where they need help from other teams. There is a round robin mechanism in place, so that every team has their turn every four weeks. Then the Feelgood manager usually has a couple of announcements and also does the weekly lottery for who should drink tea with whom. The idea behind „Tea Time“ is that colleagues, who don’t know each other yet well, have a cup of tea together and have a chitchat. After 30-45 minutes the Teamverlotung comes to an end, and everybody at Jimdo should be up to date. The meeting is videotaped so that the teams in San Francisco and Tokyo stay in the loop about what’s going on.

The Teamverlotung structure has changed quite a few times over the years, but the idea behind this casual meetup remains the same: If possible, all employees should always be up to date and synchronize regularly - and through face-to-face communication, and as little as possible with written documents.
WHAT IS KANBAN?
Kanban is a very lightweight change method which includes four principles and six practices. The Kanban principles are:

PRINCIPLES
1) Start with what you do now
Kanban appreciates the status quo. We want to build on this and improve it step by step.

2) Agree to pursue evolutionary change
Firstly this principle expresses the agreement to improve in small steps, rather than instigate the great revolution. The second aspect, which is reflected in this principle are the „others“. What stakeholders do we need to bring on board to carry out sustainable change?

3) Initially, respect current roles, responsibilities and job titles.
Experience shows that most people do not like it (often even offer resistance) when their roles and responsibilities are changed. This is the reason why we usually keep roles and responsibilities when we start using Kanban. Over time we might find out that we all agree to change our roles and responsibilities. Then we would do that - but it usually comes from within the people affected and reflects a shared understanding that this is a useful thing to do.

4) Encourage acts of leadership at all levels.
In Kanban, we aim for leadership that is taken spontaneously by different people in different situations. While this type of leadership can be taken by a person with a dedicated role, e.g. a project manager, we try to encourage every single person to perform such acts of leadership.

PRACTICES
1) Visualize
A major problem in knowledge work is that we cannot see our work. Therefore, Kanban always starts with visualization: What are we working on? And on how many tasks are we working at the same time? What is not being worked on? What problems are we facing?

2) Limit Work-in-Progress (WIP)
When we work on too many tasks at the same time, we will unnecessarily increase the lead time of each task. In addition, a big amount of Work-in-Progress (WIP) not only leads to stress and poor quality, but it also hides problems. Therefore, we limit WIP and continuously reflect on how many tasks we should have in our system at the same time.

3) Manage flow
In Kanban we strive to create and maintain a steady flow of tasks, and to improve this flow continuously. We want to finish tasks regularly (that’s why the slogan of Kanban is “Stop starting, start finishing!”). Everything that disturbs or interrupts this flow should be examined more closely.

4) Make process policies explicit
The performance of a system is largely determined by the policies that define the cooperation within the team and between different teams / departments. If we want to improve our system, we need to establish a common
understanding of what these policies are and how we can improve them.

5) Develop feedback loops  
If we want to keep improving in small steps, we need feedback loops, in order to make sure that the measures that we take are leading in the right direction. Usually these feedback loops are short meetings that aim to improve the process and which are held by those who are directly affected by these changes.

6) Improving collaboratively using models and running experiments  
Although we do have goals in Kanban, we do not want long catalogues of improvement measures for the next months or even years. Instead, we conduct small, targeted experiments, from which we learn as quickly as possible. By doing so, we determine what action we want to implement next. Kanban is oriented towards the scientific, hypothesis-based experiment.

GOAL#1  
One day, Fridtjof looked at me and said, “Everything used to be so simple. We were just ten mates in a room doing cool things together. We all knew what was important, we all pulled together to make it happen. I feel that things are changing. When our company grew, we formed cross-functional teams and gave them their own missions. This created a lot of focus, which is a really good thing! But at the same time, the teams start moving in different directions.” So we sat together and discussed what we could do about it. How can a company with well over 100 employees work together with the focus of a small startup? The phenomenon of people collaborating towards the same goal, and working with a unified vision, is called alignment. It sounds simple enough, but getting large numbers of employees in different roles to all work on the same page is a mammoth task. Lack of alignment can
frequently be observed in many large companies, and it poses a major problem. The typical case is that management sets a number of major projects or milestones, with a high priority placed on all of them. There is pressure to get everything done, yet employees don’t really know where to start, so they instead just work on everything at once, being involved and overworked in every project, or they pick the project that they feel is most important and prioritize it above all else. Everyone works with full steam ahead, often completely overloaded, yet because their energy is spread in so many different directions, the overall productivity is low.

In his book, „The Art of Action“, (an excellent read that we highly recommend!), Stephen Bungay describes such apparently busy and hard working companies as being dominated by activity, with very little real action. In other words, everyone is doing something but nothing gets done! Bungay also suggests that we all should ask our boss the Spice Girls Question: „Tell me what you want, what you really, really want!“ What is the one thing that is at the moment most important for the company? There can be only one most important thing, and it is the sacred task of leadership to be very clear on what this thing is, to communicate this to all staff, and to act accordingly. For example, when it comes to solving problems or providing teams with resources.

So we sat together and thought about how this concept could be applied to Jimdo. The result is
what we call Goal#1. The founders have mutually agreed on the next big goal they want to achieve with the company. It should be possible to achieve this goal within a few months. So we are not just talking about daily business, and neither about a 5-year plan. This Goal#1 was communicated to all employees during the Teamverlötung and attached to a big wall. Next, the Goal#1 team was formed. Because it was clear from the beginning that this team would need help from several other teams, we have started the Goal#1 meeting. Here, delegates from all 12 teams meet every 2-4 weeks (the cadence is adjusted as needed). The aim of the meeting is to join forces in order to achieve the Goal#1 as soon as possible. The Goal#1 team reports progress, points to problems and asks for help. All other teams are supposed to provide the Goal#1 team with feedback on their work and to offer help. The meeting never takes longer than 45 minutes.

The Goal#1 started as an experiment, and although not everything went exactly as we hoped, after a short period of time, we’ve observed several advantages:

- Clarity: Every employee at Jimdo knows exactly what the single most important thing in the company is. Once someone gets into a situation where he is torn between different tasks and several teams need his help, he now can make that decision without thinking about it too much or asking the boss. The Goal#1 trumps everything!
- Quick decisions: Because the three founders have set the Goal#1, they have an obligation to act accordingly. When the Goal#1 team reaches out to them for help, they need to take care of it immediately. For example, the Goal#1 team was repea-
tedly blocked because it needed support from the infrastructure team. So a quick decision was made that from now on, two full-time administrators should join the team.

- Self-awareness: After one of our Goal#1 meetings, one of the employees said: „Wow, I did not even know how much power we have at Jimdo!“ In fact, it can be observed that both self-awareness and the feeling of togetherness significantly increased through the Goal#1.

**OPEN-PRIORITYIZATION-MEETING**

When I first visited Jimdo back in 2010, I saw a thing called “Team Wall” - a big wall painted in black, magnetic paint. The idea behind it was simply to use all the creativity of all the great people who work at Jimdo. So everyone who had an idea on how to improve the product, took a piece of paper, wrote down his suggestion, and attached it to the wall. This seemed to work out very well, because not long after starting, the wall was dotted with paper. However, what seemed to be a huge success, turned out to also yield a couple of problems. Many of the ideas hung on the wall for weeks or months - and many of them were never followed up at all. They were good, but did not fit within the business strategy. Or - they were good, but too many other ideas were even better. Nadja, the Flow Manager at Jimdo, often said: “This is not a black wall; It’s a black hole!” This state created a lot of frustration. They were asked to share their ideas, but most of them were not pursued. And the reasons for this never became clear to them, so the idea wall was abolished again.
The team wall story is another example of a huge problem that occurs over and over again when companies create (or even just allow) big queues. These queues are almost always seen as a “place of unloading”, but without a common understanding of what happens to all the items after they are put in the queue. Furthermore, queues have this really annoying habit of growing and growing. So when items are not being removed, it becomes less and less likely that the things in the queue will ever be completed at all. The bigger the queue, the more effort it takes to manage it. This means that things will be overseen, duplicates sneak in, etc.

Jimdo’s experience with the team wall was one major reason for introducing a concept which they call Open Prioritization Meetings. The first team to start this meeting was the Feature Team, which is called “Captain Feature”. The mission of this team is to maintain and improve the Jimdo CMS, which is pretty much the core of the whole Jimdo application. Besides the end users, the Feature Team has a couple of internal customers: The Shop Team, the Payment Team, the Support Team, the Country Teams, etc. So, the Feature Team can also be seen as a service provider for their colleagues. This again led to a huge queue, although this time, a digital one. Over time the different teams had created tickets for each of their requests, and put them into the issue-tracking system. Very often, the expectation was: “Now that I have placed my order, I just have to wait until it is finished.” But the Feature Team’s capability was less than the overall demand. So the queue (in this case, it was called “Backlog”), grew and grew. And again: dissatisfaction was the result. The Feature Team wanted both to help their colleagues, and to build new features.
for the end users. This turned out to be impossible, and led to stress and frustration, aware that the queue was constantly growing. The other teams realized that their requests were not being processed, but there was no transparency with the reasons behind this. The Jimdo founders, yet another group of important stakeholders, couldn’t understand why it took so long to build new, strategic features.

Since introducing the Open-Prioritization-Meeting, many of these problems have been solved. This is how it works: On a bi-weekly basis, everyone who has a request for the Feature Team is invited to come to their room and bring his ticket(s). The different stakeholders then pitch their ticket, explaining why they think that this particular ticket has a high business value for the company, and should be done next. After this, the team, together with Fridtjof (one of the founders), decides which tickets they will accept for the next two weeks, and which ones they reject. The principle behind this meeting is: “Never make promises you can’t keep!” A prerequisite for this is that the team must know its capability: How many new tickets can they manage? How big can these tickets be?

The tickets that are not accepted at this time, are returned to the stakeholders immediately. Sometimes people are told: “Please come back with this request in 8 weeks.” And sometimes it is decided that a request won’t be done at all. Of course it is frustrating for the person whose ticket is rejected - but it’s better having this initial frustration, than having false hope that cannot be fulfilled. In that case, the frustration would kick in later - and much
The different teams have valuable discussions about what their most important request is, because they know that only 1-2 items will be accepted.

Everyone who is present at the meeting learns the reasons why certain things are worked on, and others aren’t. Fridtjof is forced to lay out the company strategy on a regular basis (“Your idea is good. But this year we want to focus on another target group. The reasons for this are X, Y and Z. So we won’t do your thing this year.”) In this case, Open-Prioritization-Meeting is a means of educating the employees, with respect to understanding and improving the company strategy.

In the duration of the meeting, there is an incredible amount of knowledge and experience from different disciplines gathered in this one room. So it’s possible to find simple and creative solutions harder. The Open-Prioritization-Meetings ensure that there is no Backlog of stakeholder requests. In our experience, this is the best kind of expectation management! And, by the way, the Open-Prioritization-Meeting usually only takes 30-45 minutes. Although this format is quite new, we’re already seeing a couple of positive effects:

- The team’s capability is more visible. Now it’s possible to avoid overloading the team - and at the same time, measures are taken to increase the capability.
- Queues lead to stress. (“Look at all the work we have to finish! We can never do this!”) By abolishing the queue, the stress level decreased.
- During the meetings, the stakeholders communicate directly, as opposed to the ticket system before. This prevents misunderstandings and builds trust.
- The different teams have valuable discussions about what their most important request is, because they know that only 1-2 items will be accepted.
immediately: “I have an idea how we could do this with very little effort. Would you be satisfied with an 80% solution?” or “Can you do this by yourself, if we give you access to this system?”

The Feature Team was the first team to experiment with Open-Prioritization-Meetings. The positive outcomes have encouraged others to do a similar thing. Right now, more and more other teams are starting to figure out how this meeting should look in their environment.

**MANAGEMENT**

When Jimdo recently (once again) expanded the office space the question arose: which teams should sit on which floor? Then Fridtjof said something that answered many questions I had: „Actually, I don’t need a desk!“ In fact, one can observe that Fridtjof (as well as the other two founders) spends almost 100% of his time with the teams. He participates in standup meetings and workshops, moderates the open-priority meeting, provides the teams with feedback, does one-on-one feedback meetings with individual employees or simply drinks coffee with them. This is perhaps the biggest difference with „traditional“ business. At Jimdo, there is no executive floor. Not even an executive office. And, actually, no longer an executive desk. The founders interact as much as possible with the teams, instead of coming up with strategies and passing them “down” to the teams. As a
The tool JimFlow gives you a small example of small, evolutionary changes at Jimdo. When the first teams at Jimdo started implementing Kanban and using card walls, the problem arose that the tickets on the boards were hard to read, because some team members (and in particular one of the founders) hadn’t paid too much attention in calligraphy class. So it made sense to print out the tickets. Unfortunately, experience shows that the acceptance of Kanban rapidly decreases when the effort to create the tickets is too high. Even a common print dialog and a short walk to the printer may already have a large negative effect. So Jimdo modified the issue tracking tool they use (Trac) in a way that by simply pushing a button from the browser, a ticket will be printed - at the nearest printer available and the correct paper format. After this improvement the tickets were easier to read. But another problem still existed: the teams had to maintain tickets twice, because when a task was started, processed or stopped, someone had to update the status of the ticket in the ticket system as well as on the physical card wall. Jimdo wanted to keep the impressive benefits of physical tools (better visibility and collaboration, flexibility and creativity, etc.) but also exploit the possible benefits of electronic tools (online availability for distributed teams, automated creation of metrics, documentation, clickable links, etc.) So Jimdo and it-agile collaboratively developed JimFlow, a tool that uses QR code technology to combine the best of both worlds. Whenever a new ticket is created, a QR is generated and printed directly on the ticket. Each card wall is marked with its own QR code as well. A camera takes pictures at regular intervals and automatically detects the codes. So JimFlow can create a digital image of the board and also update the status in the Issue Tracker. JimFlow is available in an early Alpha version as an OpenSource tool. Find more information at http://jimflow.jimdo.com

Why is JimFlow an example for evolutionary change? Because every new step in the evolution of the tool emerged because it solved a real problem. There was no big up-front planning and design for this tool.
result, the gap between “managers” and employees is much smaller than elsewhere. Does that mean that there is no management at Jimdo? No! There is management, but it looks completely different from what we know from other companies! Employee motivation through transparency (Teamverløtung), self-organized work and visible results, corporate strategy through the Goal# 1, release planning through team-wide communication and continuous feedback, stakeholder Management by open-priority meeting, etc.

This type of management can only work if something else happens: Tasks that are traditionally settled in the management must be done directly by the teams. Vacation and attendance planning for example, is done directly by the teams. Also, hiring of new team members is now to a large extent up to the teams themselves.

According to the motto „Leadership is not a position, but an activity“ which is strongly advocated by Stephen Parry, the founders at Jimdo aim for leadership that is performed by everyone in the company - whenever it is necessary. Leadership in this understanding might mean asking awkward questions, to address the famous „elephant in the room“, to take on unpleasant tasks or to deliver bad news. This type of leadership has to be lear-
ned. And this is one of the main tasks of the founders at Jimdo: Coach every employee to be a leader. Only when this is achieved, Jimdo can continue to grow as strongly as now without becoming a classical corporation. Consistent with this approach is Fridtjof’s statement „Our growth is limited by our ability to hire good people and how quickly we learn to let go and trust them.“

CONCLUSION

Jimdo proves that it is possible to build and scale businesses, which are wired differently than traditional companies - and yet (or just because of this) are very successful. Scaling is never easy, but a strong corporate culture as a base and continuous improvement allow specific solutions for each problem to emerge. Management at Jimdo hardly looks like classical management, because here it mainly means creating the framework for meaningful communication (eg Goal # 1, open-priority meetings, etc.) and coaching the staff to become leaders. There is more than one way to run a company. Find out for yourself what fits your corporate culture best and have the courage to do things differently!
WHAT IS JIMDO?
Jimdo is an intuitive CMS that enables anyone to create his own website, no technical knowledge required. Established on a farm in Cuxhaven, founded in 2007 and profitable since 2009 without any venture capital, Jimdo now has a passionate team of 180 people in four offices worldwide. The company has managed to scale rapidly whilst remaining bootstrapped, having turned down an eight-figure offer in 2012. Jimdo recently entered the mobile space with Jimdo for iOS, setting new standards in cross-platform website creation.
Create your own free website at www.jimdo.com

THE CONTRIBUTION OF IT-AGILE
it-agile has supported Jimdo since 2010 in building lean / agile structures and their permanent adjustment. This includes among other things:
- Sparring partner for the founders on various topics (e.g. Goal # 1)
- Facilitation of workshops, retrospectives etc.
- Training of retrospective facilitators and internal coaches
- Team coaching
- Contribution to the task force “Organizational development”
Learn more about at www.it-agile.de
info@it-agile.de
WHO IS...

Arne Roock

Founder
Surfer
Paraglider
Ski Instructor
Innovator
Distributor for Pond Liners

Twitter: @FrIeDeli

Arne Roock

Coach
Kanban-expert
Karateka
Swim-dilettante
Whisky-lover
Dr. Rock

Twitter: @ArnerOock
RECOMMENDED READING

- The Art of Action
  by Stephen Bungay

- Kanban. Successful Evolutionary Change for Your Technology Business
  by David Anderson

- Sense and Respond
  by Stephen Parry

- Managing to Learn
  by John Shook

- www.software-kanban.de

- www.3founders.com
Questions?

Send an email to

justin.time@it-agile.de